

**CENSUS BUREAU
FY 2001 SENATE MARK
IMPACT STATEMENT**

- C The Senate mark is **\$26 million below the Administration's request**. This includes reductions from \$174 million to \$158 million in the Salaries and Expenses account and from \$545 million to \$535 million in the Periodic Censuses and Programs account, including a nominal \$3.1 million reduction in Census 2000 funding.
- C **The Senate mark recognizes the value of ongoing statistical survey work done by the Bureau, including requested cost adjustments and restoration of funding critical to maintaining ongoing surveys. But, funding levels for two programs -- Demographic Surveys Sample Redesign and Continuous Measurement -- will result in serious disruption to planned activities crucial to the federal statistical community and sound decision making at the federal, state and local levels.**
- C The reduction in the **Salaries and Expenses** account eliminates all funding for three of the four FY 2001 initiatives: (1) **Improving Export Coverage** - exports would continue to be undervalued by 3-7 percent, and the planned expansion in the electronic filing of exports will be curtailed; (2) **Annual Survey of Minority-Owned Businesses** - annual measures of one of the fastest growing segments of American business would not be available; (3) **Improve the Measurement of Economic Well-Being** - federal and private sector investments to identify more current, reliable and continuously available social indicators will have been wasted. This includes estimates of employment rates of the disabled population and variations in their employment experiences, the use of public versus private child care services, transfer programs participation and eligibility rates, multiple program participation, poverty, household income, health insurance coverage of adults and children, and asset ownership by population subgroups.
- C Partial funding for the **Measuring E-Business** initiative will permit the Bureau to provide new annual e-commerce estimates for services, retail trade, wholesale trade, food services and accommodations, and manufacturing. However, the Bureau will not be able to introduce new surveys of the supply chain or electronic markets, nor new measures of e-business related investment. This funding level curtails electronic reporting capabilities in the 2002 Economic Census and foregoes the anticipated \$4 million reduction in census data collection costs in FY 2003.
- C The reduction in the **Periodic Censuses and Programs** account adversely affects two programs critical to enhancing the overall strength and reliability of federal statistical data.
- C The \$3.4 million reduction to the **Continuous Measurement** program will require the Bureau to reduce the sample size in the 31 sites in which the American Community Survey is already taking place in order to conduct special testing in Alaska and Puerto Rico. Starting this testing in FY 2001 is absolutely critical if we are to conduct the nationwide American Community Survey in these unique areas in calendar year 2003.

- C Cutting sample size in the existing 31 American Community Survey communities will be damaging for two primary reasons. First, a sample size reduction, in the final year of a three-year (1999-2001) comparison period, will have an adverse effect on the quality of the data and methodological comparisons between the American Community Survey and the Census 2000 long form. Secondly, those who actively supported the long form prior to Census 2000 will be sent a mixed message about Congressional intentions to replace the long form.
- C The \$3.7 million reduction to the **Demographic Surveys Sample Redesign** program will severely jeopardize the Bureau's ability to deliver continuous and reliable data for the country's most critical and most visible household surveys. Samples for the Current Population Survey, the Consumer Expenditures Survey, the National Health Institute Survey and other surveys are always drawn after each decennial census. The Bureau will run out of samples in 2004 unless new samples are drawn based on Census 2000.
- C The Bureau will be unable to: (1) select geographic areas for the survey samples; (2) select sample housing units from the Census Bureau's address lists within the selected geographic areas; (3) oversample specific racial and ethnic groups, the elderly, and the poor; and, (4) develop and maintain a coordinated sample database.
- C Policymakers who rely on key indicators, such as the unemployment rate, the consumer price index, and the poverty rate will be severely hampered in their decision making. For example, the Federal Reserve's decisions, which have enormous impact on the path of the economy, would no longer be based on accurate information about inflation in the consumption sector, which makes up about two-thirds of the economy, or about the potential for the economy to overheat as a higher proportion of the available labor pool is employed.